

Xylem General Rental Terms and Conditions

1. DEFINITIONS. As used in these General Rental Terms and Conditions the following terms shall have the following meanings:

Contract means

- (i) a specific contract entered into between the Parties;
- (ii) an order submitted by Lessee in writing as accepted in writing by Lessor;
- (iii) a quotation submitted by Lessor in writing as accepted in writing by Lessee for the rent of Equipment and/or purchase of Support Services; or
- (iv) Lessee's acceptance of Delivery or taking possession of Equipment.

The Contract shall include the General Terms and Conditions together with the Quotation and Order Acceptance, if any, as well as any supplemental contract terms and conditions and any other special conditions referenced herein or subsequently agreed in writing by the Parties;

"Equipment" covers all equipment and accessories that Lessor agrees to rent to Lessee under the Contract;

"General Terms and Conditions" means these Xylem General Rental Terms and Conditions;

"Gross Negligence" means an act or omission implying a failure to pay due regard to serious consequences, which a conscientious Lessor would normally foresee as likely to ensue;

"Lessee" means the company, firm, person, corporation or public authority taking Equipment on rent under the Contract;

"Lessor" means the affiliate of Xylem Inc. that is party to the Contract;

"Order Acceptance" means Lessor's acceptance of Lessee order of Equipment and/or Support Services;

"Parties" refers collectively to Lessor and Lessee;

"Party" means either Lessor or Lessee as the case may be;

"Perform" and/or **"Performance"** means the performance of the Support Service by Lessor;

"Quotation" means Lessor's offer to Lessee for the rental of Equipment and/or purchase of Support Services;

"Rental Fees" means Lessor's charges as consideration for the rental of Equipment and/or purchase of Support Services by Lessee;

"Site" means the place where the Equipment is delivered and the Support Services are to be performed, including adjacent areas necessary for unloading, storage or internal transport.

"Support Services" means support services related to the Equipment that the Lessor agrees to provide to Lessee under the Contract;

In addition, certain words and expressions may be defined in clauses which they appear for the first time.

Wherever these General Terms and Conditions use the term **"in writing"**, this shall mean by document signed by the Parties, or by letter, fax, electronic mail and by such other means as are mutually agreed by the Parties.

2. CONTRACTUAL TERMS. Quotations are valid for 30 days unless otherwise specified in the Quotation. Lessor reserves the right to cancel or withdraw the Quotation at any time with or without notice or cause prior to acceptance by Lessee. Equipment is offered subject to it being available to Lessor when Lessee's acceptance of the Quote is received by Lessor. No terms or conditions endorsed on, delivered with or contained in Lessee's order, acceptance of Quotation or other document shall form part of the Contract simply as a result of such document being referred to in the Contract.

3. PRODUCT INFORMATION. All information and data contained in general Equipment documentation and price lists, whether in electronic or any other form, are binding only to the extent that they are by reference expressly included in the Contract.

4. DRAWINGS, DESCRIPTIONS AND INTELLECTUAL PROPERTY RIGHTS. All drawings and technical documents related to the Equipment and Support Services submitted by the Lessor prior to or subsequent to the formation of the Contract are the property of Lessor. Drawings, technical documents or other technical information received by the Lessee shall not, without the consent of the Lessor, be used for any other purpose than that for which they were provided. They may not, without the consent of Lessor, otherwise be used or copied, reproduced, transmitted or communicated to a third party. To the extent Lessor is aware of Lessee's intended use of Equipment, information and drawings necessary to permit Lessee to erect, install, commission, operate and/or maintain the Equipment shall be forwarded by Lessor to Lessee upon delivery of the Equipment.

5. DELIVERY AND RISK OF LOSS. Any agreed trade term shall be construed in accordance with INCOTERMS 2010. If no trade term is specifically agreed, the delivery (**"Delivery"**) shall be DAP, Lessee's address as set out in the Contract. However, Lessor's cost for DAP delivery shall be paid by Lessor as set out in Clause 11.

6. TIME FOR DELIVERY OF EQUIPMENT. If the Parties, instead of specifying the date for Delivery of Equipment, have specified a period of time on the expiry of which Delivery shall take place, such period shall start to run as soon as the Contract is entered into, all official formalities have been completed, payments due at the formation of the Contract have been made, any agreed securities have been given and any other preconditions have been fulfilled.

7. PERFORMANCE OF SUPPORT SERVICES. If the Parties, instead of specifying the date for Performance, have specified a period of time on the expiry of which Performance shall have taken place, such period shall start to run as soon as the Contract is entered into, all official formalities have been completed, payments due at the formation of the Contract have been made, any agreed securities have been given and any other preconditions have been fulfilled.

8. DELAY ON PART OF LESSOR. Any time periods specified by Lessor in the Contract for Delivery or Performance are to be treated as estimates whilst Lessor shall make reasonable efforts to Deliver or Perform on time. If Lessor anticipates that it will not be able to Deliver the Equipment or Perform the Support Service at the time for Delivery or Performance (**"Delay"**), Lessor shall inform Lessee thereof and, if possible, the time when Delivery or Performance instead can be expected. In case of Delay, Lessee may in writing demand Delivery or Performance within a final reasonable period which shall not be less than 90 days as from Lessor's receipt of such demand. If Lessor does not deliver within such final period and this is not due to any circumstance for which Lessee or a party engaged by Lessee is responsible, or Delay covered by Clauses 9 or 19, then Lessee may by notice in writing to Lessor terminate the Contract in respect of such part of the Equipment or Support Service that cannot in consequence of Lessor's failure to deliver be used as intended by the Parties. Lessee SHALL IN NO EVENT BE ENTITLED TO ANY LIQUIDATED DAMAGES IN THE CASE OF DELAY. However, if Lessee terminates the Contract due to Delay, it shall be entitled to compensation for the loss it has suffered as a result of Lessor's Delay. The total compensation shall not exceed 10 percent of that part of the Rental Fees which is

attributable to the part of the Equipment or Support Service in respect of which the Contract is terminated. Termination of the Contract with limited compensation above is the only remedy available to Lessee in case of Delay on the part of Lessor. All other claims against Lessor based on Delay shall be excluded.

9. DELAY ON PART OF LESSEE. Lessee shall in due time prior to the date of Performance notify Lessor of any delays on Lessee's side which may entail a Delay of the Delivery or Performance. Lessee's notification thereof shall state the reason for the anticipated delay on Lessee's side and a request of a new date of Delivery or Performance, which must be agreed by Lessor in writing to be deemed as accepted by Lessor. If Lessee for any reason fails to notify Lessor in accordance with the above, Lessee shall nevertheless pay any part of the fees which becomes due on Delivery or Performance, as if Delivery or Performance had taken place. Any other direct and/or financial costs incurred by Lessor as a result of such failure or delay on Lessee's side shall be borne by Lessee. This shall include compensation for waiting time and time for extra journeys, additional work, costs incurred by Lessor in having to keep its equipment at the Site longer than foreseen, and other costs Lessor can show it has incurred due to Lessee's failure. Unless Lessee's failure to accept Delivery or Performance is due to any such circumstance as mentioned in Clause 19 (Force Majeure) below, Lessor may by notice in writing require Lessee to accept Delivery or Performance within a final reasonable period. If, for any reason for which Lessor is not responsible, Lessee fails to accept Delivery or Performance within such period, Lessor may by notice in writing terminate the Contract in whole or in part. Lessor shall then be entitled to compensation for the loss it has suffered by reason of Lessee's default. The compensation shall not exceed that part of the fees which is attributable to that part of the Equipment and/or Support Service in respect of which the Contract is terminated.

10. ALTERATIONS AND CANCELLATION If Lessee requests an alteration of the Delivery or Support Service, and Lessor accepts such alteration, the alteration will be deemed as a new Contract entitling Lessor to a restart of the Delivery or Performance time which will start to run on the date of the approval in writing by Lessor of the alteration. All additional costs incurred as a result of the alteration will be charged to Lessee, in addition to the Contract price. If Lessee cancels the Contract in whole or in part without cause, Lessee shall, unless otherwise agreed in writing, reimburse Lessor for: (i) all costs and expenses incurred by Lessor under the Contract up until and including the date of cancellation; (ii) any additional costs and expenses incurred as a result of the cancellation and (iii) a reasonable profit.

11. RENTAL FEES AND PAYMENT TERMS. The Rental Fees shall be as set out in Lessor's price list as of the date of Delivery if not specifically set forth in the Contract. Unless otherwise agreed to in writing by Lessor, all prices are FCA Lessor's plant, and do not even if Delivery is DAP in accordance with Clause 5 above, include transportation costs or charges relating to transportation. This means that in addition to the Rental Fee, Lessee shall compensate Lessor for all its transportation costs and charges, as set out in invoice from Lessor to Lessee. All costs and taxes for packing shall be paid by the Lessee as an additional charge. Prices are subject to change without notice. For domestic rental, payments shall be made within 30 days of the date of invoice in the currency stipulated in the Contract, unless otherwise agreed by the Lessor in writing. For international rental, full payment in advance by telegraphic transfer is required in the currency stipulated in the Contract, unless otherwise agreed by the Lessor in writing. The Rental Fees do not include any applicable sales, use, excise, GST, VAT or similar tax. Lessee shall have the responsibility for payment of such taxes if applicable. Whatever the means of payment used, payment shall not be deemed to have been effected until Lessor's account has been fully and irrevocably credited. If Lessee fails to pay by the stipulated date, Lessor shall be entitled to interest from the day on which payment was due. The rate of interest shall be 12%. Notwithstanding other rights to terminate the Contract under other clauses in these General Terms and Conditions, Lessor shall, if Lessee has not paid the amount due within three (3) months from the original due date, be entitled to terminate the Contract by notice in writing to Lessee and to claim compensation for the loss it has incurred. If, during the performance of the Contract, the financial responsibility or condition of Lessee is such that Lessor in good faith deems itself insecure, or if Lessee becomes insolvent, or if a material change in the ownership of Lessee occurs, or if Lessee fails to make any payments in accordance with the terms of the Contract, then, in any such event, Lessor shall have the right to withhold any further Delivery and shall not be obligated to continue Performance under the Contract, except upon receipt of satisfactory security or cash payments in advance, or Lessor may terminate the Contract upon written notice to Lessee without further obligation to Lessee whatsoever and without demand or notice take immediate possession of, and remove any or all of, the Equipment and return it to Lessor's facility, without liability for damages in trespass or otherwise, and without thereby waiving any claim Lessor may have against Lessee. If Lessee fails to make payments or fails to furnish security satisfactory to Lessor, then Lessor shall also have the right to enforce payment to the full Contract price. Upon default by Lessee in payment when due, Lessee shall immediately pay to Lessor the entire unpaid amounts. Lessee's failure to maintain adequate insurance in accordance with the requirements in Clause 12 will result in an additional automatic surcharge of 15% to the total Rental Fee.

12. LESSEE'S RESPONSIBILITIES. Lessee shall pay the Rental Fees to Lessor in accordance with the terms of the Contract and Clause 11 above. Lessee shall at its cost obtain any permit and give all notices required for the setup, installation, or operation of Equipment and performance of the Support Services, and shall hold Lessor harmless against and from the consequences of any failure to do so. Lessee shall provide Lessor with safe access to the Site, technical equipment (including but not limited to electricity supply) as reasonably required for the setup, installation, or operation of Equipment and the good and proper Performance and other obligations under the Contract. Lessee will ensure that all statutory requirements in respect of health and safety as well as working environment requirements are met and provide Lessor with written notification of all known hazards prior to Lessor's commencement of the setup, installation, or operation of Equipment and Support Services. Lessee shall ensure that Lessor, its operations and the Site is covered by appropriate insurance with limits in accordance with good local standard, including but not limited to public liability insurance and all required workplace injury insurance for Lessor's employees. Equipment must be covered by a Contractor's Equipment policy for the full replacement value (new) of the Equipment and any applicable deductible shall be the responsibility of Lessee. All insurance policies shall include a waiver of subrogation in favor of Lessor and Lessee's policy shall be primary and non-contributory. Prior to Delivery, Lessee must provide a Certificate of Insurance naming Lessor as the Certificate Holder with copies of endorsements showing that Lessor is named as additional insured on the Public Liability policy and loss payee on the Contractor's Equipment policy. Expiration dates, limits, and deductibles for each policy must also be noted, along with a provision for notice of cancellation, non-renewal, or material change to the certificate holder of not less than 30

Xylem General Rental Terms and Conditions

days. From the time of Delivery, Lessee shall be responsible for all loss or damage to Equipment occurring in excess of ordinary wear and tear, or by theft or fault, negligence or shortages up to the full market replacement value of the same model and brand of Equipment. Lessee is responsible for the accuracy and correctness of any data and information provided to Lessor and Lessor shall be entitled to rely on such data and information. If other works are carried out by Lessee or any third party at the Site simultaneously with the Performance, Lessee shall be responsible for the co-ordination of the works. Lessee shall safeguard and secure the Equipment including maintaining and monitoring the Equipment as set out in the general Equipment documentation delivered with the Equipment while the Equipment remains under Lessee's care, custody or control pending return of all Equipment to Lessor. Lessee agrees to not remove Equipment from the Site without the prior written consent of Lessor. Lessee agrees to report and pay for any over use of Equipment proportional to the Rental Fees. At the end of the rental period, Lessee is responsible for and shall carry the cost for the return of the Equipment to the Lessor, as instructed by Lessor.

13. RENTAL PERIODS. The rental period shall be as set out in the Contract. If no time is fixed for rental period, or if rental is extended beyond the fixed period of time by agreement in writing between the Parties, Lessee agrees to give Lessor thirty (30) full business days' notice of termination of rental in writing.

14. LESSOR'S LIABILITY FOR DEFECTS. Pursuant to the provisions of this Clause, Lessor shall at its own cost remedy any defect or nonconformity in the Equipment or Support Service resulting from faulty workmanship or design for which Lessor is liable ("Defect"). Repair shall be carried out at the Site unless Lessor deems it appropriate that the defective part or the Equipment is returned to Lessor for repair or replacement. Lessor is not obliged to carry out dismantling and re-installation of the defective part or the Equipment or other equipment. Lessor's liability to remedy a Defect in respect of Support Services is limited to Defects which appear within a period of twelve (12) months as from completion of the Support Services, unless otherwise agreed to in writing by Lessor. Lessee shall without any undue delay notify Lessor in writing of any Defect. Such notice shall for Support Services under no circumstance be given later than two (2) weeks after the expiry of twelve (12) months from completion of the Support Services. The notice shall contain a detailed description of the Defect. If Lessee fails to notify Lessor in writing of a Defect within the time limits set forth in this Clause, it loses its right to have the Defect remedied. To the extent there is a Defect in only a part of the Support Service and such Defect has been remedied by Lessor in accordance with this Clause, Lessor's liability for the remedied part of the Support Service are subject to the same terms and conditions as those applicable to the original Support Service. Where the Defect is such that it may cause damage to property, the environment or people, Lessee shall immediately inform Lessor thereof in writing. Lessee shall bear the risk of any damage resulting from its failure to notify Lessor in accordance with this Clause. If Lessee has given such notice as mentioned in this Clause and no Defect is found for which Lessor is liable, Lessor shall be entitled to compensation from Lessee for all costs it has incurred as a result of the notice. Lessee shall bear all costs and expenses for its representatives incurred in connection with the remedying of Defects.

15. LIMITATIONS OF LESSOR'S LIABILITY FOR DEFECTS. Lessor is not liable for any Defect arising out of specific instructions by Lessee or materials provided, or a design stipulated or specified by Lessee or a third party. Lessor is liable only for Defects which appear under the conditions of operation provided for in the Contract and under proper use of the Equipment. Lessor's liability does not cover Defects which are caused by faulty maintenance, incorrect erection or faulty repair by Lessee or a third party, or by alterations or work carried out without Lessor's prior consent in writing. Lessor's liability does not cover normal wear and tear or deterioration. Notwithstanding the provisions of Clause 17, Lessor shall not be liable for Defects in any part of the Support Service for more than two (2) years from the beginning of the period given in Clause 14 above. Save as stipulated in Clause 14, Lessor shall not be liable for any Defect, unless Lessor has been found guilty of Gross Negligence in its Performance. **LESSOR'S LIABILITY FOR DEFECTS STIPULATED IN CLAUSE 14 IS EXCLUSIVE AND IN LIEU OF ANY AND ALL OTHER EXPRESS OR IMPLIED WARRANTIES, GUARANTEES, CONDITIONS OR TERMS OF WHATEVER NATURE RELATING TO DELIVERY OR PERFORMANCE INVOLVED HEREUNDER INCLUDING WITHOUT LIMITATION ANY IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, WHICH ARE HEREBY EXPRESSLY DISCLAIMED AND EXCLUDED.**

16. ALLOCATION OF LIABILITY FOR DAMAGE CAUSED BY THE EQUIPMENT OR SUPPORT SERVICE. Lessor shall not be liable for any damage to property or the environment caused by the Equipment after it has been delivered to the Lessee or resulting from the Support Service. Nor shall Lessor be liable for any damage to products manufactured by the Lessee, or products of which the Lessee's products form part. Lessee shall indemnify, defend and hold Lessor harmless to the extent that Lessor incurs liability towards any third party in respect of loss or damage for which Lessor is not liable according to this Clause. If a claim for damages related to the Equipment or the Support Services is lodged by a third party against one of the Parties, the latter party shall forthwith inform the other party thereof in writing. Lessor and Lessee shall be mutually obliged to let themselves be summoned to the court or arbitral tribunal examining claims for damages lodged against one of them on the basis of damage allegedly caused by the Support Service.

17. CONFIDENTIALITY. The Parties agree that any information received from the other Party in connection with the Contract that evidently or by its nature should reasonably be understood to be confidential, shall not be disclosed by the recipient to any third party without the prior written approval of the disclosing Party, except to the extent: (i) this is necessary for the receiving party to exercise rights and perform duties pursuant to the Contract; (ii) the information is available to the general public or later becomes publicly available other than through a breach of the Contract; (iii) the information is actually known to the receiving Party on the date that such information is disclosed as evidenced by written records in existence prior to the date of the receipt; (iv) the information is subsequently lawfully obtained by the receiving Party from a third party or third parties; or (v) the information is independently developed by the receiving Party prior to the disclosure.

18. DATA PRIVACY. Lessee acknowledges that Lessor will collect and process personal data for the purposes outlined in the Contract. Xylem's data privacy policy is available at <https://www.xylem.com/en-us/support/privacy/>. Lessee acknowledges that it has read and understood Xylem's privacy policy and agrees to the use of personal data outlined herein. The collection and use of personal data by Lessee is Lessee's responsibility. In addition, Lessee agree and authorize Lessor to store data collected from Equipment ("Customer Data") on such hardware, software, networking, storage, and related technology indefinitely. Lessee grants herewith Lessor a royalty-free, non-exclusive, irrevocable right and license to access, store, and use such Customer Data and any other data or information Lessee provides to Lessor, to (1) provide a service; (2) analyze and improve a service; (3) analyze

and improve any Lessor equipment or software; (4) for any other internal use by Lessor; and (5) create anonymized data and use such anonymized data for any purpose.

19. FORCE MAJEURE. Either Party shall be entitled to suspend performance of its obligations under the Contract to the extent that such performance is impeded or made unreasonably onerous by any of the following circumstances: industrial disputes and any other circumstance beyond the control of the Parties such as epidemic, pandemic, fire, earthquake, natural disaster, abnormal weather, acts of God, war, extensive military mobilization, insurrection, requisition, seizure, embargo, acts of governments, strikes, lockouts, restrictions in the use of power and defects or delays in deliveries by sub-contractors ("Force Majeure"). The Party claiming to be affected by Force Majeure shall notify the other Party in writing without delay on the intervention and on the cessation of such circumstance. If Force Majeure prevents Lessee from fulfilling its obligations, it shall compensate Lessor for expenses incurred in securing and protecting the Support Service and Equipment. Regardless of what might otherwise follow from these General Terms and Conditions, either Party shall be entitled to terminate the Contract by notice in writing to the other Party if performance of the Contract is suspended under this Clause for more than 6 consecutive months. If Lessee terminates the Contract due to Force Majeure, Lessee shall, unless otherwise agreed in writing, reimburse Lessor for: (i) all costs and expenses incurred by Lessor under the Contract up until and including the date of the termination; and (ii) any additional costs and expenses incurred as a result of the termination.

20. ANTICIPATED NON-PERFORMANCE. Notwithstanding other provisions in these General Terms and Conditions regarding suspension, Lessor shall be entitled to suspend the performance of its obligations under the Contract, where it is evident from the circumstances that Lessee will not perform its obligations. If Lessor suspends its performance of the Contract, Lessor shall forthwith notify Lessee thereof in writing.

21. LIMITATION OF LIABILITY. NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THESE GENERAL TERMS AND CONDITIONS, THE LIABILITY OF LESSOR, WITH RESPECT TO ANY AND ALL CLAIMS ARISING OUT OF THE PERFORMANCE OR NON PERFORMANCE OF LESSOR'S OBLIGATIONS UNDER THE CONTRACT, SHALL NOT EXCEED THE AGGREGATE OF THE RENTAL FEES PAID UP UNTIL THE OCCURRENCE OF THE BASIS FOR THE CLAIM UNDER THE CONTRACT AND SHALL IN NO EVENT INCLUDE DAMAGES FOR LOSS OF PROFIT, LOSS OF REVENUES, LOSS OF POWER, LOSS OF USE, COSTS OF CAPITAL, DOWNTIME COSTS, CLAIMS OF CUSTOMERS OF THE LESSEE OR COSTS OF REPLACEMENT OF POWER OR LOSS OF ANTICIPATED SAVINGS, INCREASED COSTS OF OPERATION OR FOR ANY SPECIAL, PUNITIVE, INDIRECT, INCIDENTAL OR CONSEQUENTIAL DAMAGE, LOSS OF ANY NATURE WHATSOEVER. No claim what so ever shall be asserted against the Lessor, unless the injury, loss or damage giving rise to the claim is sustained prior to the expiration of the Contract. Nor shall any claim, suit or action thereon be instituted or maintained unless it is filed in an arbitration forum consistent with Clause 24 below within twelve (12) months after the date the cause of action accrues. The limitations of liability set out in this Clause shall prevail over any conflicting or inconsistent provisions contained in any of the documents comprising the Contract to the extent permitted under applicable law.

22. SEVERABILITY. The provisions of this Contract shall be severable so that the invalidity, unenforceability or waiver of any provision shall not affect the remaining provisions.

23. ASSIGNMENT AND SUBCONTRACTING. Lessee shall not assign or transfer the Contract or any interest in it, or monies payable under it, without the prior written consent of Lessor and any assignment made without such consent shall be null and void. Lessor may at its own discretion assign or subcontract its rights and/or delegate its duties under the Contract in whole or in part to any affiliated company or any other third party. Lessor shall notify Lessee of any such assignment, subcontracting or delegation. Lessor shall be released of all its obligations and/or liabilities hereunder upon the written assumption by its transferee of such obligations and/or liabilities.

24. DISPUTES AND APPLICABLE LAW. All disputes, controversies or claims arising out of or in connection with Lessee's breach of Clause 11 of these General Terms and Conditions, and/or any corresponding clause of the Contract regarding payment of Rental Fees, shall be finally settled by the courts of the Lessor's country. All other disputes, controversies or claims arising out of or in connection with the Contract, or the breach, termination or invalidity thereof, shall be finally settled by arbitration accordance with the Rules of Arbitration of the International Chamber of Commerce by one or more arbitrators appointed in accordance with the said rules. The arbitration procedure shall be held in the Lessor's country and shall be held in English. The Contract shall be governed by the substantive law of the Lessor's country, excluding application of the Convention on International Sales of Goods (CISG).